

Statement of Commissioner Bart Chilton
Regarding CFTC-SEC Cooperation
March 11, 2008

I applaud the collaborative efforts of CFTC Chairman Lukken and SEC Chairman Cox for their work to increase coordination and cooperation between these two U.S. financial regulatory agencies. Their efforts in bringing to fruition the Regulatory Memorandum of Understanding (MOU) between the Commissions, essentially establishes a permanent regulatory liaison structure which will include periodic meetings.

With the structure established today, I am hopeful we will be will able to move forward in a manner that removes barriers to market entry in approving dually-regulated products, and also address other areas of mutual concern.

As regulators, we have a responsibility to guard against fraud, abuse and manipulation in order to protect U.S. consumers and markets. At the same time, in the past, it has taken too long for regulators to consider dually-regulated products and to allow innovative transactions to come to market. I am hopeful that this agreement will create the opportunity and the incentive for us to cooperate on these as well as other important initiatives. Specifically, I am hopeful that we will soon address issues such as margin efficiencies for securities and commodities, and futures on foreign security indexes.

I am optimistic that this MOU, and the permanent regulatory structure that it establishes, will enable us, as regulators, to do all that we can to allow industry to be industrious – to be nimble and quick, and to take competitive advantage of new and innovative ideas. Doing so will foster growth in both the derivatives and securities sectors and contribute to the economic engine of our democracy.